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13 RED HAT, INC. AND GLUSTER, INC.

14 UNITED STATES DISTRICT COURT
15 NORTHERN DISTRICT OF CALIFORNIA
16 SAN JOSE DIVISION

17 TWIN PEAKS SOFTWARE INC.,

18 Plaintiff,

19 v.

20 RED HAT, INC. AND GLUSTER, INC.,

21 Defendants.

22 Case No. 5:12-cv-00911-RMW

23 **JOINT CASE MANAGEMENT
STATEMENT AND RULE 26(f) REPORT**

24 Date: September 21, 2012

25 Time: 10:30 a.m.

26 Courtroom: 6

27 Judge: Hon. Ronald M. Whyte

1 Pursuant to Federal Rule of Civil Procedure 26(f), Civil Local Rule 16-9(a), Patent Local Rule
 2 2.1(a), ADR Local Rule 3-5, and this Court's July 23, 2012, Clerk's Notice of Setting Case Management
 3 Conference (D.I. 27), a conference was held on August 30, 2012, between Christopher Banys and
 4 Richard Lin from the Lanier Law Firm, P.C., counsel for Plaintiff Twin Peaks Software Inc. ("Twin
 5 Peaks") and Shelley Mack from Fish & Richardson P.C., counsel for Defendants Red Hat, Inc. and
 6 Gluster, Inc. (collectively "Red Hat" or "Defendants"). The parties additionally conferred via electronic
 7 mail. The parties jointly submit this Case Management Statement under Civil Local Rule 16-9(a).

8 **1. JURISDICTION AND SERVICE**

9 This court has subject matter jurisdiction over Twin Peaks' claims and Red Hat's counterclaims
 10 under 28 U.S.C. §§ 1331 and 1338(a) because this case involves a dispute over patent infringement
 11 under 35 U.S.C. § 271 and patent invalidity under 35 U.S.C. §§ 101, 102, 103 and/or 112. Venue is
 12 proper in this court under 28 U.S.C. § 1391 and 1400(b). No party remains to be served.

13 **2. FACTS**

14 Twin Peaks is a California corporation having its principal place of business at 46732 Fremont
 15 Blvd., Fremont, California 94538. Twin Peaks filed this action in the Northern District of California on
 16 February 23, 2012, and a First Amended Complaint on July 16, 2012. Twin Peaks' First Amended
 17 Complaint alleges that Defendants are infringing U.S. Patent No. 7,418,439 ("the '439 patent"), entitled
 18 "Mirror File System" by making, using, importing, offering for sale and/or selling in the United States
 19 software products for managing data on computer networks. Twin Peaks' First Amended Complaint
 20 also alleges that Defendants indirectly infringe the '439 patent by inducing its customers' infringement
 21 of the '439 patent. Twin Peaks seeks, *inter alia*, an injunction, damages, fees, and costs.

22 Defendant Red Hat, Inc. is a corporation duly organized and existing under the laws of the State
 23 of Delaware, having its principal place of business at 1801 Varsity Drive, Raleigh, North Carolina
 24 27606. Defendant Gluster, Inc. is a corporation duly organized and existing under the laws of the State
 25 of Delaware, having its principal place of business at 1801 Varsity Drive, Raleigh, North Carolina
 26 27606. Gluster, Inc. is a fully-owned subsidiary of Red Hat, Inc. Defendants filed a timely Answer and
 27 Counterclaims to Twin Peaks' First Amended Complaint on August 2, 2012. Defendants deny Twin

1 Peaks' claims and seek a declaration that they do not infringe any claims of the '439 patent and that the
2 claims of the '439 patent are invalid. Defendants seek, *inter alia*, fees and costs.

3 **3. PRINCIPAL FACTUAL AND LEGAL ISSUES IN DISPUTE**

4 The parties have identified the following principal disputed issues:

- 5 (a) The proper construction of disputed claim terms in the '439 Patent;
- 6 (b) Whether Defendants have directly infringed the '439 Patent pursuant to 35 U.S.C. §
7 271;
- 8 (c) Whether Defendants have induced others to infringe the '439 Patent under 35 U.S.C.
9 § 271;
- 10 (d) Whether any asserted claim of the '439 Patent is invalid for any reason under 35
11 U.S.C. §§ 101, 102, 103 and/or 112;
- 12 (e) Whether the asserted claims of the '439 Patent are unenforceable;
- 13 (f) Whether Twin Peaks is barred from obtaining any relief under the equitable doctrines
14 of laches, unclean hands, estoppel and/or waiver;
- 15 (g) Whether Twin Peaks is barred from obtaining relief under the doctrine of prosecution
16 history estoppel; and
- 17 (h) Appropriate forms of relief due to either party, including declaratory, injunctive and
18 monetary relief under 35 U.S.C. §§ 284 and/or 285.

19 **4. MOTIONS**

20 On July 2, 2012, Defendants filed a motion to dismiss Twin Peaks' Complaint, which
21 Defendants subsequently withdrew after Twin Peaks filed its First Amended Complaint. There are no
22 pending motions at this time. The parties anticipate that summary judgment motions will be filed that
23 may address issues of patent infringement and/or non-infringement, validity and/or invalidity, and/or
24 enforceability and/or unenforceability.

25 **5. AMENDMENT OF PLEADINGS**

26 The parties anticipate that they may seek to add additional claims, counterclaims and affirmative
27 defenses as discovery proceeds. The parties propose July 1, 2013, as the deadline for amending
28

1 pleadings.

2 **6. EVIDENCE PRESERVATION**

3 The parties will take reasonable steps to preserve documents and evidence relating to the issues
 4 presented in Twin Peaks' First Amended Complaint and Defendants' Counterclaims. The parties will
 5 also take reasonable steps to preserve documents and evidence relating to the issues presented in
 6 subsequent amendments of those pleadings, based on their understanding of the issues at the time. Such
 7 reasonable steps shall include issuing document preservation instructions to the key individuals likely to
 8 have such documents, directing such individuals to take affirmative steps to preserve such documents,
 9 whether in hardcopy or electronic form, and to suspend applicable document destruction/deletion
 10 procedures.

11 **7. DISCLOSURES**

12 The parties agree to make their initial disclosures pursuant to Fed. R. Civ. P. 26(a)(1) on or
 13 before October 5, 2012. Each party reserves its right to amend such disclosures as discovery progresses.

14 **8. DISCOVERY**

15 (i) **Discovery Taken to Date:** No discovery has been taken or served to date.

16 (ii) **Anticipated Scope of Discovery:** The parties anticipate discovery on the claims for
 17 patent infringement, affirmative defenses and counterclaims thereto, claim construction,
 18 and prayers for relief.

19 (iii) **Limits on Discovery:** The parties agree to the following limits on discovery:

20 (a) **Fact Depositions:** Twin Peaks proposes a total presumptive limit of 70 hours of
 21 deposition per side. Red Hat proposes a total presumptive limit of 42 hours of
 22 deposition per side. The parties agree to a presumptive limit of 7 hours per individual
 23 deposition. Multiple days of deposition of a single witness will count as multiple
 24 depositions.

25 The parties further agree that expert depositions will not count toward these limits,
 26 but that non-party depositions and depositions taken pursuant to Federal Rule of Civil
 27 Procedure 30(b)(6) will count toward these limits. The parties reserve the right to
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1 revisit the issue of the number and length of depositions as discovery progresses. If
2 any party seeks more than the presumptive limit of hours of depositions or more than
3 7 hours for a deposition, the parties agree to meet and confer in good faith to attempt
4 to resolve the issue without intervention by the Court. Each party reserves the right to
5 seek leave of Court in order to take additional depositions.

6 (b) **Expert Depositions:** The parties agree that each side may take up to seven (7) hours
7 of deposition testimony of each expert identified by an adverse party for each report
8 provided. Notwithstanding the foregoing, if any party identifies a single expert to
9 provide a report related to both infringement and validity, the seven (7) hour limit
10 shall be expanded to fourteen (14) hours.

11 (c) **Interrogatories:** The parties agree to the presumptive limits set forth in the Federal
12 Rules of Civil Procedure regarding interrogatories.

13 (d) **Requests for Admission:** The parties agree that each side may serve a maximum of
14 50 requests for admissions relating to substantive issues. The parties agree there is no
15 limit on requests for admissions related to the authentication of documents.

16 (iv) **Discovery Plan:** The parties intend to pursue discovery by taking depositions and by
17 serving document requests, interrogatories, and requests for admission, subject to the
18 limits in the previous section.

19 (a) **Protective Order:** The parties agree that a protective order will be necessary, in
20 light of the sensitive and proprietary information that will be exchanged during
21 discovery. The parties intend to meet and confer on and submit a proposed Stipulated
22 Protective Order for the Court's approval shortly. This protective order will contain
23 the parties' agreed-upon procedure for post-production claims of privilege or
24 protection as attorney work-product or trial preparation materials, as well as for
25 handling requests for the production of source code.

26 (b) **Privilege Logs:** The parties agree that communications with outside litigation
27 counsel of record about this case and work product prepared by outside litigation
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counsel for this case do not need to be logged. The parties further agree that to the extent any Party relies on a joint defense privilege, the communication will be logged. The parties further agree that privileged communications and documents covered by work product protection and dated after the filing of this lawsuit need not be included in any privilege log.

(c) **Expert Reports:** The parties agree that document discovery concerning testifying experts shall be limited to the final versions of the testifying experts' reports and any materials relied upon by the testifying expert in forming his or her opinion(s) in this case. Testifying experts' draft reports, notes, and conversations or communications with counsel will not be subject to discovery and do not need to be logged in a privilege log unless such materials is relied upon by a testifying expert in forming his or her final report, trial or deposition testimony, or any opinion in this case. If an expert indicates in deposition that he or she relied upon a document or source not otherwise specified in the final report, that document or source also is discoverable.

(d) **Method of Service:** The parties agree that service by electronic mail will be treated as service by mail.

Electronic Discovery: The parties agree to cooperate to develop protocols to lessen the burden of producing electronic discovery. The parties are continuing to meet and confer to reach an agreed upon plan for electronic discovery and will submit an agreed electronic discovery plan or a joint submission highlighting any remaining disputed issues.

9. CLASS ACTIONS

This is not a class action.

10. RELATED CASES

The parties are unaware of any pending cases related to the present action.

11. RELIEF

Twin Peaks seeks judgment that Defendants have infringed and continue to infringe the '439

1 patent. Twin Peaks seeks a permanent injunction, damages under 35 U.S.C. § 284, attorney fees under
2 35 U.S.C. § 285, and such relief at law and in equity as the Court may deem just and proper.

3 Defendants seek a declaration that they have not and are not infringing any valid claim of the
4 '439 patent, whether directly or indirectly. Defendants further seek a declaration that the '439 patent is
5 invalid. Defendants seek a dismissal of Twin Peaks' claims in their entirety and with prejudice and a
6 declaration that Twin Peaks take nothing away from its complaint. Defendants also seek any
7 appropriate costs and attorneys' fees pursuant to 35 U.S.C. § 285 and such further relief as the Court
8 may deem appropriate under the circumstances.

9 **12. SETTLEMENT AND ADR**

10 The parties are willing to engage in early and meaningful settlement discussions, but have had
11 only limited discussions to that end so far, have not yet conducted any formal method of alternative
12 dispute resolution, and are uncertain at this time whether a prompt resolution of this matter is possible.
13 The parties have met and conferred regarding ADR pursuant to Civil L.R. 16-18 and ADR L.R. 3-5,
14 have reviewed the ADR procedures in ADR L.R. 3-5, and have stipulated to agree to private mediation
15 at an appropriate time. The parties do not believe any motions are necessary to facilitate settlement.

16 **13. CONSENT TO MAGISTRATE JUDGE FOR ALL PURPOSES**

17 Defendants do not consent to have this case proceed before a Magistrate Judge.

18 **14. OTHER REFERENCES**

19 The parties do not believe that this case is suitable for reference to binding arbitration or to a
20 Special Master. This case is inappropriate for reference to the Judicial Panel on Multidistrict Litigation.

21 **15. NARROWING OF ISSUES**

22 The parties are not aware of issues that can be narrowed by agreement or by motion at this time
23 and do not have suggestions to expedite the presentation of evidence at this time. The parties anticipate
24 that as discovery proceeds, the issues will be narrowed for trial.

25 **16. EXPEDITED SCHEDULE**

26 Because of the nature and complexity of the claims and defenses in this action, the parties submit that
27 this is not the type of case that can be handled on an expedited basis or with short-circuited procedures.

1 **17. SCHEDULING**

2 The parties propose the following dates for scheduling in this case consistent with the Patent
 3 Local Rules, with certain minor modifications:

Event/Authority	Twin Peaks' Proposed Date	Red Hat's Proposed Date
Initial Case Management Conference [Civil L.R. 16-10; July 23, 2012 Order (D.I. 27)]	Sept. 21, 2012	Sept. 21, 2012
Last day for parties to make initial disclosures [Fed. R. Civ. P. 26(a)(1)]	Oct. 5, 2012	Oct. 5, 2012
Plaintiff's Initial Disclosure of Asserted Claims & Preliminary Infringement Contentions & accompanying document production [Patent L.R. 3-1 & 3-2]	Nov. 20, 2012	Nov. 20, 2012
Defendants' Preliminary Invalidity Contentions & accompanying document production [Patent L.R. 3-3 & 3-4]	Jan. 11, 2013	Jan. 11, 2013
Parties to exchange Proposed Terms & Claim Elements for Construction [Patent L.R. 4-1(a)]	Jan. 18, 2013	Jan. 18, 2013
Parties to exchange Preliminary Claim Constructions [Patent L.R. 4-2(a)]	Feb. 8, 2013	Feb. 8, 2013
Parties to file Joint Claim Construction & Prehearing Statement; parties to exchange expert declarations or other disclosures on claim construction for any experts who will submit declarations or testify regarding claim construction at the Claim Construction Hearing. [Patent L.R. 4-3]	Mar. 5, 2013	Mar. 5, 2013
Claim Construction Discovery Cut-Off [Patent L.R. 4-4]	Apr. 5, 2013	Apr. 5, 2013

1	Plaintiff to file Opening Brief on Claim Construction [Patent L.R. 4-5(a)]	Apr. 19, 2013	Apr. 19, 2013
2	Defendant to file Responsive Brief on Claim Construction [Patent L.R. 4-5(b)] (14 days)	May 3, 2013	May 3, 2013
3	Plaintiff to file Reply Brief on Claim Construction [Patent L.R. 4-5 (c)] (7 days)	May 10, 2013	May 10, 2013
4	Court will hold a claim construction tutorial. The parties shall call the Court at least a week prior to the tutorial to notify the Court regarding the expected length of the tutorial.	May 22, 2013	May 22, 2013
5	Court conducts Claim Construction (<i>Markman</i>) Hearing	May 29, 2013	May 29, 2013
6	Last day to Serve Final Infringement Contentions and Motion for Leave to Amend [Patent L.R. 3-6]	30 days after <i>Markman</i> Ruling	14 days after <i>Markman</i> Ruling
7	Last day to disclose advice of counsel [Pat. L.R. 3-7]	50 days after <i>Markman</i> Ruling	50 days after <i>Markman</i> Ruling
8	Last day to Serve Final Invalidity Contentions and Motion for Leave to Amend [Patent L.R. 3-6]	30 days after <i>Markman</i> Ruling	28 days after <i>Markman</i> Ruling
9	Last day to amend pleadings	July 1, 2013	July 1, 2013
10	Parties to exchange privilege logs	May 31, 2013	May 31, 2013
11	Fact discovery cut-off	July 31, 2013	July 31, 2013
12	Initial expert reports exchanged on matters on which a party bears the burden of proof	45 days after the Court's <i>Markman</i> Ruling	Sept. 16, 2013
13	Responsive expert reports exchanged	30 days after the exchange of initial expert reports	Oct. 16, 2013

1	Expert discovery completed	Completed within 30 days after exchange of rebuttal expert reports	Nov. 15, 2013
2	Deadline for filing dispositive motions	21 days after completion of expert discovery	Nov. 29, 2013
3	Last day for parties to file/serve oppositions to dispositive motions	35 days after completion of expert discovery	Dec. 13, 2013
4	Last day for parties to file/serve reply briefs in support of dispositive motions	42 days after completion of expert discovery	Dec. 20, 2013
5	Dispositive motion hearing	First available hearing date after briefing on dispositive motions has been completed	Jan. 10, 2014
6	Last day for parties to conduct pretrial meet-and-confer	Sept. 30, 2013	Feb. 19, 2014
7	Last day for parties to file Daubert motions	Sept. 30, 2013	Feb. 6, 2014
8	Last day for parties to file Joint Pretrial Conference Statement, trial briefs, motions <i>in limine</i> , deposition and discovery designations, trial witness list, exhibit list, exhibits, proposed voir dire questions, jury instructions, proposed findings of fact/conclusions of law, and verdict forms	Oct. 7, 2013	Feb. 20, 2014
9	Last day for parties to file oppositions to Daubert motions	Oct. 14, 2013	Feb. 20, 2014
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1	Last day for parties to file oppositions to motions <i>in limine</i> , objections to deposition and discovery designations, deposition and discovery counter-designations, and objections to proposed voir dire questions, proposed findings, verdict forms, and authenticity or admissibility of trial exhibits	Oct. 21, 2013	Feb. 27, 2014
6	Last day for parties to file reply briefs in support of Daubert motions	Oct. 21, 2013	Feb. 27, 2014
8	Pretrial Conference	November 2013 or as soon thereafter as the Court's calendar permits	March 6, 2014 or as soon thereafter as the Court's calendar permits
11	Trial	December 2013 or as soon thereafter as the Court's calendar permits	March 24, 2014 or as soon thereafter as the Court's calendar permits

14 **18. TRIAL**

15 A jury demand has been made. Twin Peaks proposes a trial date in December 2013, or as soon
 16 thereafter as the Court's calendar permits. Red Hat proposes a trial date in March 2014, or as soon
 17 thereafter as the Court's calendar permits. Twin Peaks estimates that the expected length of trial is five
 18 days, with trial time to be split equally between the two sides. Red Hat estimates that the expected
 19 length of trial is seven days, with trial time to be split equally between the two sides.

20 **19. DISCLOSURE OF NON-PARTY INTERESTED ENTITIES OR PERSONS**

21 The parties have filed their respective Certifications of Interested Entities or Persons with the
 22 Court. There are no other non-party interested entities or persons.

23 **20. OTHER MATTERS**

24 The parties also discussed the following topics as set forth in Patent Local Rule 2-1(a):

25 **A. Proposed Modifications of Obligations and Deadlines in Local Patent Rules:**

26 See schedule proposed in Section 17, above.

B. Privilege log:

The parties will exchange privilege logs, whose format will be agreed to in advance. The parties propose that privilege logs be exchanged no later than May 31, 2013. In addition, the parties will cooperate to produce logs on limited issues (such as reliance on advice of counsel) if requested to do so, as appropriate.

C. Scope and Timing of Claim Construction Discovery:

The parties anticipate they may use expert witness declarations in support of one or more of their claim construction positions. If so, each party will disclose whether it intends to use a claim construction expert witness, and will provide an expert report and/or declaration, in accordance with the deadlines provided in Local P.R. 4-2 and 4-3, and proposes that claim construction discovery (including any expert witness depositions) close in accordance with the deadline provided in Section 17, above

D. Format of Claim Construction Hearing:

The parties do not anticipate live testimony at the claim construction hearing, but believe live testimony may be helpful during the technology tutorial. Although the parties' recommendation may change depending on the terms ultimately chosen for construction, at this point in time, the parties propose that during the claim construction hearing, oral argument proceed term-by-term, with Plaintiff presenting on each term first, followed by Defendants. The parties anticipate that three (3) hours will be required for argument at the claim construction hearing, split evenly between the sides.

E. How the Parties Intend to Educate the Court on the Technology at Issue:

To educate the court on the technology at issue, the parties suggest a one-and-a-half hour technology tutorial (split evenly between the sides) on the date ordered by the Court, approximately one week prior to the claim construction hearing, subject to the Court's preference and schedule.

Dated: September 14, 2012

Respectfully submitted,

/s/ Richard C. Lin
Richard C. Lin

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Attorneys for Defendants,
RED HAT, INC. AND GLUSTER, INC.

1 I, Richard C. Lin, am the ECF User whose ID and password are being used to file this JOINT
2 CASE MANAGEMENT STATEMENT AND RULE 26(f) REPORT. In compliance with Civil Local
3 Rule 5-1(i)(3), I hereby attest that counsel whose e-signature appears on the foregoing page have
4 concurred with this filing.

5 */s/ Richard C. Lin*
6 Richard C. Lin

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